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FEDERAL ELECTION COMMISSION
Washington, D.C. 20463

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March 10, 1997

AGENDA ITEM
For Meeting of: 3-13-97

MEMORANDUM

TO: The Commission

THROUGH: John C. Surina
Staff Director *OK*

FROM: Lawrence M. Noble
General Counsel *LMN*

N. Bradley Litchfield
Associate General Counsel *NBL*

Michael G. Marinelli *MG*
Staff Attorney

SUBJECT: Revised Draft Advisory Opinion 1997-02

Attached is the revised draft of the subject opinion for the Commission's approval on the March 13 agenda.

The changes in this draft are made pursuant to the Commission's directions at the meeting of March 6. They pertain to the use of campaign funds for the travel and attendance fees of the Members' children who attend the Hershey Retreat with the Members.

The revised and new language (as compared to Agenda Document #97-12) is noted with **bolded text** on each page where revisions are made.

Attachment

DRAFT

1 ADVISORY OPINION 1997-2

2
3 Jan Witold Baran
4 Wiley, Rein & Field
5 1776 K Street, N.W.
6 Washington, DC 20006-2359

7
8 Robert F. Bauer
9 Perkins Coie
10 607 14th Street, N.W.
11 Washington, D.C. 20005-2011

12
13 Dear Mr. Baran and Mr. Bauer:

14
15 This responds to your letters dated February 11 and 5, 1997, on behalf of
16 U.S. Representatives David E. Skaggs and Ray LaHood. They request an
17 advisory opinion concerning application of the Federal Election Campaign Act of 1971,
18 as amended ("the Act"), and Commission regulations to the use of campaign funds
19 for the travel expenses and attendance fees of Members, and their spouses and
20 children to participate in a Bipartisan Congressional Retreat.

21 Your letters state that the Congressional Institute and The Aspen Institute, Inc.,
22 with the support of the Democratic and Republican House leadership, are planning a
23 Bipartisan Congressional Retreat ("the Retreat") for Members, Members' spouses and
24 families, and select Congressional staff. Messrs. Skaggs and LaHood, as well as other
25 Representatives, first proposed the Retreat and are planning to attend. The costs of the
26 Retreat will be underwritten, in principal part, by a grant from the Pew Charitable Trusts.
27 Retreat organizers will seek to defray the balance of the expenses by charging an
28 attendance fee of \$60 for Members, an additional \$30 each for Member's spouses and
29 \$10 for the children of attending Members. You state that some Members will also be
30 paying travel expenses related to the Retreat.

1 The Retreat will be held at the Hershey Lodge and Convention Center ("the
2 Center") in Hershey, Pennsylvania, the weekend of March 7-9, 1997. Members and their
3 families and some staff will travel together by bus and train from Washington to Hershey,
4 and spend the weekend together at the Lodge and Convention Center.¹ During the
5 Retreat, Members from both parties and their spouses will attend a wide variety of
6 sessions on public policy and political matters, and consider the impact of their
7 Congressional duties on their personal and family lives. The stated purpose of the Retreat
8 is to attempt to reduce the lack of familiarity and lack of trust among Members that has
9 contributed to what has been perceived by Members as a hostile legislative and political
10 environment. The hope is that the Retreat experience will permit "Members to get to
11 know each other before the difficult work of 105th Congress [begins] in earnest and to
12 establish a more constructive spirit and ethic for member-to-member relations."

13 You state that a full program has been developed with plenary and small group
14 sessions.² The plenary session, attended by all Members and families, will provide
15 historical context and provide Member interactions. Members will thereafter meet in
16 small group sessions to further analyze the current difficulties in House Member
17 interactions and to address possible changes leading to a more effective House working

¹ With respect to the travel, you further clarify that approximately 18-20 staff will also attend the retreat, and they are primarily from Republican and Democratic House leadership offices. They will attend to help facilitate the Retreat and will not be accompanied by spouses or family and so will not be charged a fee. Their travel expenses are also not an issue in this opinion.

² You explain that the Retreat program will include the presentation of a research paper from Kathryn Hall Jamieson, of the Annenberg School for Communications at the University of Pennsylvania, to examine the history of relations among Members of Congress, old patterns and new standards of discourse and (in the words of the grant proposal to the Pew Charitable Trusts) offer "some suggestion for setting reasonable expectations for improving Members' interactions and dialogue." A presentation will also be made by historian David McCulloch and a video has been prepared to show the historical context of Congressional discourse and citizen reaction.

1 environment. Members' spouses will also attend working sessions. While Members and
2 their spouses are in various groups, a full children's program will be available in order "to
3 keep all participants involved." With respect to the "children's program," your request
4 explains that the Center regularly provides children's programs for families of conference
5 attendees. In addition, you state that the Retreat will have a special dinner on the second
6 (and last) evening of this event for all Members, spouses and children.

7 With respect to the nature of the travel expenses, you state that they will fall into
8 two categories. First, some Members' spouses and families do not reside in the
9 Washington, D.C. area. Accordingly, you explain that such participants would have
10 expenses for travel to Washington where they would join the group for the trip to
11 Hershey. Second, some Members and/or their families might travel directly to Hershey
12 without using the bus and train transportation provided as part of the Retreat program.
13 Such participants would also incur travel expenses. The vast majority of participants, you
14 believe, are expected to utilize the round-trip transportation that will be provided by the
15 sponsors of the Retreat. You ask whether the Members may lawfully pay the travel
16 expenses and the Retreat attendance fees for themselves, their spouses and their children
17 from their campaign funds.³

18 Under the Act and Commission regulations, a candidate and the candidate's
19 committee have wide discretion in making expenditures to influence the candidate's
20 election, but may not convert campaign funds to the personal use of the candidate or any

³ You explain that, to the extent that any Member uses excess campaign funds to defray attendance fees and travel expenses, it will only be for the Member and his or her spouse and family.

1 other person. 2 U.S.C. §§431(9) and 439a; 11 CFR 113.1(g) and 113.2(d)⁴; see also
2 Advisory Opinions 1996-45, 1996-20, 1996-19, 1996-9, 1995-47, and 1995-46. A
3 specific exemption to the ban on personal use, however, permits the use of campaign
4 funds to defray any ordinary and necessary expenses incurred in connection with a
5 person's duties as a holder of Federal office. 2 U.S.C. §439a; 11 CFR 113.2(a) and (d).
6 In addition, Commission regulations define personal use as "any use of funds in a
7 campaign account of a present or former candidate to fulfill a commitment, obligation, or
8 expense of any person that would exist irrespective of the candidate's campaign or duties
9 as a Federal officeholder." 11 CFR 113.1(g).

10 Commission regulations list a number of expense categories that would constitute
11 personal use. 11 CFR 113.1(g)(1)(i).⁵ Where a specific use is not listed as personal use,
12 the Commission makes a determination on a case-by-case basis. 11 CFR 113.1(g)(1)(ii).⁶
13 Travel expenses, including subsistence expenses incurred during travel, are among those
14 expenses to be analyzed on a case-by-case basis. If such travel involves both personal
15 activities and campaign or officeholder related activities, the incremental expenses that
16 result from personal activities are personal use, unless the person benefiting reimburses

⁴ Commission regulations define the phrase "excess campaign funds" to mean "amounts received by a candidate as contributions which he or she determines are in excess of any amount necessary to defray his or her campaign expenditures." 11 CFR 113.1(e).

⁵ These expense categories include, but are not limited to: household food items; funeral, cremation or burial expenses; clothing; tuition payments not associated with training campaign staff; mortgage, rent or utility payments for the personal residence of a candidate; tickets to non-campaign or non-officeholder entertainment; dues, fees or gratuities to nonpolitical organizations, unless related to a specific fundraising event; and salary payments to family members, unless paid for bona fide, campaign-related services.

⁶ In explaining the application of the case-by-case approach, the Commission "reaffirm[ed] its long-standing opinion that candidates have wide discretion over the use of campaign funds. If the candidate can reasonably show that the expenses at issue resulted from campaign or officeholder activities, the Commission will not consider the use to be personal use." Explanation and Justification, Commission Regulations on Personal Use of Campaign Funds, 60 *Fed. Reg.* 7862, 7867 (February 9, 1995).

1 the campaign within thirty days for the amount of those expenses. 11 CFR

2 113.1(g)(1)(ii)(C).

3 Under 11 CFR 113.2(a) excess campaign funds may also be used to pay any
4 ordinary and necessary expenses incurred in connection with one's duties as a holder of
5 Federal office. These include the costs of travel for a Federal officeholder and an
6 accompanying spouse to participate in a function directly connected to *bona fide* official
7 responsibilities, such as a fact-finding meeting or an event at which the officeholder's
8 services are provided through a speech or appearance in an official capacity.⁷

9 The purpose of the Retreat is to improve the effectiveness and quality of the
10 legislative environment in the House of Representatives. Legislation is the principal
11 *bona fide* official responsibility of each Member of Congress. Consequently, attending
12 the Retreat is directly related to each participating Representative's official
13 responsibilities as a Federal officeholder. The Commission notes that this relationship is
14 attested to by the special factors inherent in the event; in particular, its bipartisan support,
15 its support among the House leadership and the expected attendance by a large number of
16 House Members of both major political parties. It is also clear that costs of traveling to
17 (and from) and attending the Retreat would not exist absent each Member's duties as a
18 Federal officeholder. See Advisory Opinions 1996-45 and 1996-19.⁸ The Commission

⁷ The other listed purpose is the costs of winding down the office of a former Federal officeholder for a period of six months after he or she leaves office. 11 CFR 113.2(a)(2); See also Advisory Opinions 1996-44 and 1996-14.

⁸ The circumstances in this request are similar to those in Advisory Opinion 1996-45, where the Commission concluded that a seminar hosted by a Member in her district to focus on the ways in which participants can become more sensitive and responsive to persons from different racial and ethnic backgrounds was connected to that Member's duties as a Federal officeholder. The Commission concluded that the use of campaign funds to pay travel costs for consultants to help run the seminar would not constitute personal use. In Advisory Opinion 1996-19, the Commission noted the application of

1 concludes, therefore, that the travel expenses and attendance fees of Members of
2 Congress to participate in the Retreat could be paid using the Member's campaign funds.⁹

3 A similar analysis holds for the travel expenses of each participating Member's
4 spouse. Since the event is in furtherance of each attendee's *bona fide* official
5 responsibilities under section 113.2(a)(1), campaign funds may be used to pay for the
6 travel and attendance fees of each Member's spouse.

7 The Commission also notes that the Retreat sponsors have stressed the
8 importance of full family participation by the attending Members to assure a
9 successful Retreat environment. This participation is reflected in the entire Retreat
10 program, including meals and various group activities. In these specific limited
11 circumstances, where the involvement of children is necessary for the successful
12 execution of an extensive bipartisan officeholder event supported by the House
13 leadership, the Commission concludes that campaign funds may also be used to pay
14 for the travel expenses of the children of participating House Members.

15 Because any campaign committee disbursements made for the described
16 expenses are not campaign related, they should be reported as "other disbursements."
17 The purpose of the disbursements and other information must be disclosed for payments
18 that exceed \$200 to the same payee. 11 CFR 104.3(b)(4)(vi); see Advisory Opinions
19 1996-45 and 1996-44.

section 113.2(a)(1) to the travel expenses of a Member and his spouse to attend a national party nominating convention where both would be meeting with constituents at various official functions.

⁹ Since the facts of your request do not suggest a campaign related purpose to the Retreat, the analysis of this opinion focuses solely on the elements relevant to each participant's duties as a holder of Federal office.

